

# **THE OFFICE OF REGULATORY STAFF**

## **DIRECT TESTIMONY**

**OF**

**JAMES M. McDANIEL**

**NOVEMBER 15, 2011**



**DOCKET NO. 2011-303-C**

**Application of Palmetto Telephone Communications, LLC to Expand  
Authority to Provide Local Exchange and Exchange Access Service to  
Customers Located in Certain Areas Currently Being Served by  
Frontier Communications of the Carolinas, Incorporated f/k/a Verizon  
South, Incorporated and United Telephone Company of the Carolinas,  
LLC d/b/a CenturyLink and Request for Flexible Regulation of Local  
Exchange Service Offerings**

**DIRECT TESTIMONY OF**

**JAMES M. MCDANIEL**

**FOR**

**THE OFFICE OF REGULATORY STAFF**

**DOCKET NO. 2011-303-C**

**IN RE: APPLICATION OF PALMETTO TELEPHONE COMMUNICATIONS,  
LLC TO EXPAND AUTHORITY TO PROVIDE LOCAL EXCHANGE AND  
EXCHANGE ACCESS SERVICE TO CUSTOMERS LOCATED IN CERTAIN  
AREAS CURRENTLY BEING SERVED BY FRONTIER COMMUNICATIONS  
OF THE CAROLINAS, INCORPORATED F/K/A VERIZON SOUTH,  
INCORPORATED AND UNITED TELEPHONE COMPANY OF THE  
CAROLINAS, LLC D/B/A CENTURYLINK AND REQUEST FOR FLEXIBLE  
REGULATION OF LOCAL EXCHANGE SERVICE OFFERINGS**

**Q. PLEASE STATE YOUR NAME, BUSINESS ADDRESS AND  
OCCUPATION.**

A. My name is James M. McDaniel, and my business address is 1401 Main Street, Suite 900, Columbia, South Carolina 29201. I am employed by the South Carolina Office of Regulatory Staff ("ORS") as a Program Manager in the Telecommunications Department.

**Q. PLEASE STATE YOUR EDUCATIONAL BACKGROUND AND  
EXPERIENCE.**

A. I received a Bachelor of Science degree in Engineering from the University of South Carolina. I worked for the Public Service of Commission of South Carolina ("Commission" or "PSC") as an associate engineer and as chief of the telecommunications area in the Utilities Department for approximately 28

**THE OFFICE OF REGULATORY STAFF  
1401 Main Street, Suite 900  
Columbia, SC 29201**

1           years. In September 2004, I joined the South Carolina Office of Regulatory Staff  
2           as a Program Manager in the Telecommunications Department.

3   **Q.   HOW LONG HAVE YOU PROVIDED REGULATORY OVERSIGHT TO**  
4   **TELECOMMUNICATIONS UTILITIES?**

5   A.           I have worked more than 35 years in regulation of the telecommunications  
6           industry in South Carolina.

7   **Q.   WHAT IS THE PURPOSE OF YOUR TESTIMONY IN THIS**  
8   **PROCEEDING?**

9   A.           The purpose of my testimony is to set forth ORS's findings related to its  
10          review of Palmetto Telephone Communications' ("Palmetto") Application to  
11          expand its local exchange and exchange access services into areas currently  
12          served by Frontier Communications of the Carolinas and United Telephone  
13          Company of the Carolinas d/b/a CenturyLink.

14   **Q.   DOES PALMETTO CURRENTLY HAVE AUTHORITY TO PROVIDE**  
15   **TELECOMMUNICATIONS SERVICES IN SOUTH CAROLINA?**

16   A.           Yes. In 1999, Palmetto was granted authority to provide interexchange  
17          services. In January, 2004, Palmetto was granted authority to provide competitive  
18          local exchange ("CLEC"), exchange access, and ancillary telecommunications  
19          services in Commission Order No. 2004-1. More specifically, Palmetto was  
20          granted authority to serve local telecommunications services in Verizon's  
21          Walterboro exchange. In its orders, the Commission found that Palmetto had the  
22          technical, managerial, and financial ability to provide telecommunications  
23          services in South Carolina.

1   **Q.    WHAT AUTHORITY IS PALMETTO SEEKING IN THIS DOCKET?**

2    A.           Palmetto has requested the ability to provide competitive local  
3           telecommunications services in areas served by Frontier Communications of the  
4           Carolinas (“Frontier”) and United Telephone Company of the Carolinas  
5           (“CenturyLink”). In Frontier’s service area, Palmetto proposes to serve the  
6           Yemassee, Ehrhardt, Olar and Fairfax exchanges. In CenturyLink’s service area,  
7           Palmetto proposes to serve the Hampton and Estill exchanges.

8   **Q.    DOES   ORS   RECOMMEND   APPROVAL   OF   PALMETTO’S**  
9   **APPLICATION FOR EXPANSION OF ITS SERVICE AREAS?**

10   A.           Yes. Palmetto has the technical, managerial, and financial ability to  
11           provide telecommunications services. The approval of this expansion will  
12           provide customers a competitive telecommunications alternative which is in the  
13           public interest.

14   **Q.    DOES THIS CONCLUDE YOUR DIRECT TESTIMONY?**

15   A.           Yes, it does.